

CITY REVOKES LEASE
IN MARKET, SCENTING
\$1,750 GRAFT IN DEAL

O'Malley Withdraws Privilege
Granted to Kahn After
Another Butcher Had
Agreed to Rent Stands.

BOOKS SHOW EVIDENCE
Ink Reviver Points to Payment
for Right to Sell
Goods on Municipal
Property.

LIKE OLD TIGER 'SYSTEM'
'The' McManus, Needed by
Wallstein and Meyer Committee
to Clear Some
Points, Still Missing.

Edwin J. O'Malley, Commissioner of
Markets, revoked yesterday, without
offering any public explanation, the
permit issued on April 11 to Adolf
Kahn, a wholesale butcher, for a location
covering six stands in West
Washington Market. This action was
taken as the direct result of an investigation
conducted by Leonard M.
Wallstein, counsel for the Joint Legislative
Committee, into the circumstances
under which the permit was issued
by Commissioner O'Malley to Kahn.

His opportunity came when Albert
Kloebeln, who had been leasing a
stand in the market, decided, early this
year, to retire from business on account
of family arrangements. Kloebeln has
several brothers and sisters, all of whom
shared in the income from the market
business, and it was thought better for
all concerned to sell out the business.
Such, at least, is an explanation given to
some of the friends of Kloebeln for
deciding to give up his market stand, which
his father had held since 1888, or virtually
since the market was built.

The Menkes had been anxious for
some time to increase the size of their
plant and immediately opened negotiations
with Kloebeln to acquire his
stands. These stands are held under
permits issued by the Department of
Markets on an annual rental paid to the
city. They are not transferable and
under the law cannot be sold. But as
every standholder installs refrigerators
and other necessary equipment for the
conduct of the business and as there is
a very material good will attaching to
the stands because of their location, a
practice of buying out the equipment has
grown up by which locations command
extremely good prices. But no such
transaction, however, was completed until
the permit for the stands involved has been
transferred by the Commissioner of
Markets to the new tenant.

Good Would Sink Fleet
of U. S. Wooden Ships

Special Despatch to THE NEW YORK
HERALD.
New York Herald Bureau,
Washington, D. C., June 8.
SINKING of the wooden ships
now held by the Shipping
Board was recommended in the
House to-day by Chairman Good
of the Appropriations Committee.
The board has 275 of these
vessels, on which it has been
unable to obtain a bid and which
cost \$440,000 a year to guard, he said.

POLICE GRAFT SEEN
IN STRIKE BREAKING

One Mysterious Check Said to
Have Been Drawn for
\$50,000 or \$100,000.

LABOR UNIONS BAFFLED
Quick Suppression of Trouble
in Brooklyn Being Investigated
by Albany Probers.

Two veins of pay dirt—which in
police terms means real money—have
been hit by the investigators of the
Joint legislative committee which is
digging into the municipal administration.
Has the power of the Police Department
been sold in the open market
and directed against labor unions?
What is the connection between the
city's police, big private agencies conducted
by men said to have some
secret connection with headquarters
and the labor unions which have run
up against some mysterious and baffling
power they could not combat or
understand?

Who Got the Big Check?

It is this second strike which will be
the subject of the closest scrutiny. One
big check is said to have passed in that
strike, and it is believed to have represented
the price of the police power to
break the strike. The figure of that
check is placed all the way from \$50,000
to \$100,000. The private agency had no
trouble recruiting its force. City police
men and detectives are declared to
have operated with their official badges
as employees of the private agency.

Where Puskert Fees Go.

Just what outsiders are employed to
collect this revenue is not made clear as
yet. The investigators will find out who
represents a series of outside collectors.
Out of his fees
the supervisor is supposed to pay an
assistant \$35 a week and to pay for
cleaning his market. He pockets the
balance.
Isaac Lubin of 381 Georgia avenue,
Brooklyn, complained to the Corporation
Counsel that he had been called before
the legislative committee on false representation
and questioned. Lubin is
an assistant of James J. Morris, and
the latter is from the district of which
James F. Sinnott, father of the Mayor's
secretary, is leader. Morris supervises
100 pushcarts.

DENBY ORDERS SIMS
TO EXPLAIN SPEECH
CALLING IRISH 'ASSES'

Admiral Asked by Cable to
Report if He Was Correctly
Quoted.

STORM OF CRITICISM
State Department Also Disturbed
Over Speech at
London Luncheon.

ASSAILED BY M'CORMICK
Senator La Follette Threatens
Action—Navy Secretary
Acts Quickly.

Special Despatch to THE NEW YORK
HERALD.
New York Herald Bureau,
Washington, D. C., June 8.
Rear Admiral William S. Sims
was ordered to-day to inform the Navy
Department by cable at once whether he
was correctly quoted in the press accounts
of the speech on the Irish question
delivered by him yesterday in
London at a luncheon of the English
Speaking Union.

Sims Has Not Received
Message From Denby

LONDON, June 8.—Rear Admiral
William S. Sims was
seen by the Associated Press correspondent
late to-night on his
return from the theatre, and said
he had not received a message
from Secretary of the Navy
Denby. He therefore was unable
to make a statement.

OWNER REFUSES TO SELL
Puts Price at \$125,000,
Three Persons—Eligible
for Rich Stakes.

Special Despatch to THE NEW YORK
HERALD.
New York Herald Bureau,
Washington, D. C., June 8.
Playfellow, a thoroughbred race
horse and full brother of Man o' War,
which cost \$1,800 two years ago and
has not earned the price of his sale, is
now worth more than \$100,000.

Three men offered that sum for him
within the last week. All were turned
down. Playfellow's owner, a Brooklyn
turfman who races a string of horses
under the name of the Quincey Stable,
said he would not sell the colt for less
than \$125,000.

The names of the men who went in
quest of him were not made public,
but it is reported that they are Harry
Sinclair, an oil magnate of this city;
Gifford A. Cochran, a noted sportsman
of this city and Mount Kisco,
and Edward Simms, an oil man of
Lexington, Ky., who maintains one of
the largest racing stables in America.

His Talk of Zebras.

"The simple truth of it is that they
have the blood of British and American
boys on their hands for the obstructions
they placed in the way of the most
effective operation of the allied naval
forces during the war.

Stirs Up Hornets' Nest.

Secretary Denby refused to say what
course would be pursued in the event the
Admiral's speech is sustained, but intimated
plainly that some action is
contemplated. The Secretary's message
does not ask for corroboration, but
simply informs the department immediately.

While Admiral Sims has been the
stormy petrel of the Navy Department
for many years, probably no utterance
ever made by him has stirred up such
a hornet's nest as this latest.

McCormick Is 'Disgusted.'

The Senatorial attitude toward
Admiral Sims' speech was expressed
forcibly by Senator McCormick.

"It is grossly improper," Senator
McCormick said, "for a naval officer abroad
to asperse the loyalty of a great number
of his fellow citizens. Admiral Sims,
not by implication but by his own direct
statements, charges that not a handful,
but multitudes of his fellow citizens are
actuated, first, not by devotion to America,
but to the cause of some other people.
Thank God, we know that is not
true. We know that Americans of whatever
blood are all Americans, although
they cherish sentiments for the land
of their origin—England in the case
of some, like Admiral Sims; Ire-

SENATE REVERSES ITSELF,
CUTTING ARMY TO 150,000;
\$334,000,000 BILL PASSED

WASHINGTON, June 8.—Rejecting the
committee provisions for a
minimum army of 170,000 men for the
next fiscal year, the Senate to-day
passed the army appropriation bill
carrying a total of \$334,000,000 and making
provision for an army of not less than
150,000 men. The House had previously
provided for an average
strength of 150,000.

Advocates of economy and a small
army came to the front in the
final hour of debate, poured a hot
attack on the committee provision
for an enlisted personnel of 170,000, and
then, mustering their forces, voted down,
36 to 32, the committee amendments.
By a like majority of four votes the
Senate yesterday had accepted the
170,000 figure, so that to-day's vote
constituted a direct reversal.

The army budget now goes to conference
for the compromise of
Senate and House differences. The
House bill carried appropriations
totaling about \$14,000,000 less than
the Senate measure.

\$1,800 COLT BRINGS
OFFERS OF \$100,000

3-Year-Old Playfellow, Brother
of Man o' War, Now Is
Idol at Belmont.

Playfellow, a thoroughbred race
horse and full brother of Man o' War,
which cost \$1,800 two years ago and
has not earned the price of his sale, is
now worth more than \$100,000.

BOLSHEVIKI STIRRED
AGAINST JAPANESE

Vladivostok Revolution Regarded
in Moscow as Inspired
by Tokio.

Special Cable to THE NEW YORK
HERALD.
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HERALD.
Reval, June 8.—There is great
excitement in Moscow over Japan's
recent actions in eastern Siberia, Tokio's
procedure being regarded as a Japanese
conquest of the Siberian coast under
the camouflage of revolutionary
adventures by leaders like Kappell and
Semenoff. The latter is notoriously in
the pay of Japan.

GERMAN AND BRITISH
TO EXPLOIT RUSSIA

Collaboration of Capitalists Is
Reported Near.

By the Associated Press.
BERLIN, June 8.—Early collaboration
between groups of German and British
capitalists for the purpose of economic
exploitation of Soviet Russia is believed
here to be certain as the direct outcome
of the recent visit to Berlin of Leonid
Krasnina, Russian Soviet Minister of
Trade and Commerce. Krasnina at that
time negotiated with Hugo Stinnes.

NO SUNDAY GOLF FOR HARDING

WASHINGTON, June 8.—President
Harding is not going to play golf on
Sunday with a golf Cabinet of former
associates in the Senate.

Plot Against Oregon
HAD VERY WIDE SCOPE

Extended to Guadalajara,
Torreon and Other Cities.

Mexico City, June 8.—Investigation
of the revolutionary plot in the State
of Oaxaca, which terminated with the
death of Gen. Fernando Vizcaino and
Gen. Gonzalo C. Estrada, the alleged
leaders, indicates that it had ramifications
in all parts of the republic.

U. S. READY TO TAKE
STERN MEASURES IN
MEXICAN SITUATION

Intervention Possibility if
Oregon Does Not Guarantee
American Rights.

MUST ACT QUICKLY
Hughes's Statement Means
That 'Watchful Waiting'
Is in Discard.

FOREIGN POWERS AGREE
Pointed Out There Has Been
No Effort Made to Meet
Bills Due in Europe.

HARDING IS AGAINST
SUPERPOWER PEACE

He Would Have States Lose
None of Their Sovereignty
by Agreement.

ADDRESS AT UNIVERSITY
President Gives U. S. and Canada
as Examples of Cooperation
Against War.

WASHINGTON, June 8.—President
Harding, delivering a commencement
address to-day at American University
here, found the subject of world peace
occupying so prominent a place on the
programme that he was prompted to
depart from his prepared manuscript
and declare for the preservation of
peace by sovereign states, without the
interference of a world "superpower."

The President's remarks followed an
address by Newton W. Rowell, K. C.,
of Toronto, who suggested that the
best contribution North America could
make to civilization was for men on
this side of the water to stand
together behind the movement for peaceful
settlement of international disputes.

Another speaker who touched on the
question of peace was J. J. Jusserand,
the French Ambassador, and the general
discussor developed such a trend
that Bishop John W. Hamilton, the
presiding chancellor, referred to the
gathering as a "peace conference."

An added touch of the same character
was given by the singing of a song
which appeared on the commencement
programme under the title of "An International
Anthem," and which,
rendered to the tune of "America" and
"God Save the King," recounted how
"Two nations by the sea, two nations
great and free, one anthem raise."

Before the singing began the American,
British and French flags had been
raised together over the outdoor
speakers' platform.

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raised together over the outdoor
speakers' platform.

"I do not think I could let this occasion
pass," said the President in beginning
his address, "without giving assent
to the words of the appropriate and
appealing things just uttered by Dr. Rowell.
I liked his expression that American
and Canadian ideals are in common,
and when he spoke about the North
American contribution to present day
civilization and to the world it occurred
to me that the example of two great
peoples living side by side in peace,
in confidence and in mutual understanding
is about the finest contribution that two
nations could give to the world."

"I have said on many occasions that if
all the nations of the earth were as honest
and unselfish as our Republic there
never would be another war. I will
revise it to-day and say that if all the
nations of the earth are as unselfish
and devoted to their ideals as the United
States and Canada there never will be
another war."

"But if I may say so without a
discomfiture, there is none in my
heart—I call attention to the fact that
the United States of America and the
Dominion of Canada have dwelt side by
side and settled their controversies
satisfactorily without resort to a
superpower by the exercise of the
sovereignty of free peoples dealing with
one another. If we can commit civilized
humanity to abiding righteousness and
everlasting justice let us inspire them
with our example, we will have made a
long stride toward the peace of the
world."

In introducing the French Ambassador
Bishop Hamilton declared that the
American and French arms had
plighted at Yorktown a "marriage bond"
which actually was sealed years later
in Flinders.

"The Bishop has referred to Yorktown,"
said M. Jusserand in beginning
his speech, "and well he may. The
three flags above us represent the three
nations of Yorktown, one of them in
those days on the wrong side of the
trench, but on the right side now. Those
three flags are different in their arrangement
of colors, but, heaven be praised,
they are blessed with the same colors,
the red and white and blue."

"Reference has been made to the 100
years of peace between the United States
and Canada. France and Great Britain,
too, have been at peace for 100 years,
a long maintained peace which, I doubt
not, means peace forever."

Declaring that "almost nothing"
remains secure to-day from the attacks
of iconoclasts, President Harding
appealed to the graduating classes of the
university.

The date for the uprising had been set
for last Monday. The plans, it was
said to-day by the War Office, had been
well

Continued on Fourth Page.

When you think of writing,
think of WHIPPING—Ad.

Beware of Too Much Salt,
Says Chicago Physician

Special Despatch to THE NEW YORK
HERALD.
CHICAGO, June 8.—"Beware
of too much salt. Use the
salt shaker sparingly at mealtime,
if you would travel far and
not fall by the wayside. Excess
of salt is the cause of the inflammatory
stages of many diseases
that appear in the human body."

PRUDENTIAL'S FUNDS
PAY TWO PROFITS TO
INSURANCE OFFICERS

Large Sums Are Deposited
in Banks in Which Com-
pany's Directors Are
Interested.

DRYDEN IS GRILLED

Fourth of Business From
N. Y. People, Only 3.52
P. C. of Money in Mort-
gages Here.

COURTS GET HARD SLAP

Intermyer at Hearing Talks
of Farce of Justice and One
Kind of Law for Rich and
Other for Poor.

Forrest F. Dryden, president of the
Prudential Insurance Company of
America and son of the founder of
the institution, was grilled yesterday
for two hours by Samuel Untermyer,
counsel to the Lockwood legislative
committee, concerning the company's
business, its investments, its assets
and surplus and the general effect of
its business policy upon the housing
situation.

In addition Mr. Untermyer ques-
tioned the propriety of an institution
like the Prudential acting as a trustee
of funds for 15,000,000 persons,
leaving millions of dollars on deposit
in banks and trust companies di-
rected to a considerable extent by
men who are also directors of the
Prudential.

Mr. Dryden was compelled on two
or three occasions to listen to Mr.
Untermyer draw comparisons be-
tween the policy of the Prudential
and that of the Metropolitan, its com-
petitor. Mr. Dryden came to the
hearing accompanied by two attorneys—
Edward Duffield, vice-president
and associate general counsel of the
company, and Richard V. Lindabury.

Mr. Untermyer produced account-
ants' figures to show that while the
Prudential obtained 22.26 per cent.
of its total volume of outstanding
insurance in New York State,
amounting to approximately \$5,000,000,000, the proportion of its invest-
ments in New York State mortgages
was but 3.52 per cent., as against
18.91 per cent. so invested in other
States.

When he had developed this point
and obtained Mr. Dryden's promise
to submit a statement showing the
company's purchases in bonds and
notes since the outbreak of the war
Mr. Untermyer concluded his examina-
tion with a dramatic appeal to Mr.
Dryden to throw more of the \$700,000,000
resources of his company into
the building loan and mortgage mar-
ket to relieve the housing situation
in the State that gives it approxi-
mately a quarter of its total business.
Mr. Dryden declared that was a mat-
ter for the finance committee of the
company to decide.

"How much money are you ready to
put into bonded mortgages on real
estate in New York city?" Mr. Unter-
myer asked.

"Our committee put aside a million
dollars for the housing situation," the
witness began.

"How much?" demanded Mr. Unter-
myer. When the witness began to re-
peat his answer, the lawyer for the
committee exclaimed:

"A million dollars! That is a great
sum! Do you know how much the
Metropolitan Life has put into mort-
gages on real estate in the last two
years in the city of New York?" Mr.
Dryden declared he did not.

"Do you know that it is over \$100,000,000?" Mr. Dryden did not.

"What I want to know is how much
of your money are you ready to put
into bonded mortgages in New York?
Are you ready to put in twenty-five or
fifty millions?"

Dryden Unable to Answer.

"I am not able to answer the ques-
tion," Mr. Dryden replied.

"Who is able to answer?"

"The finance committee will answer
that."

"I see. So we are back with the
finance committee, are we?" Mr. Unter-
myer remarked with a gesture of
displeasure.

Mr. Untermyer began his examina-
tion of Mr. Dryden with inquiries con-
cerning his personal interest and the
holdings of his father's estate in some
of the institutions that acted as de-
positories for the Prudential funds.
He brought out that at the time of
its consolidation with the Union Bank
of Newark Mr. Dryden held in his
own name and on behalf of the estate
an aggregate of 2,813 shares of the
Fidelity Trust Company. The two in-
stitutions were consolidated last Janu-
ary as the Fidelity-Union Trust Com-
pany and 6,000 shares of the old Fi-
delity Trust Company were also held
by the Prudential company itself.

Mr. Untermyer produced a tabulation